West Virginia Department of Health and Human Resources
Bureau for Behavioral Health and Health Facilities
2012 Detail Statement of BHHF – Administered Target Funding Budget Instructions

Target Funding Budget Forms

The West Virginia Department of Health and Human Resources (DHHR) Bureau for Behavioral Health and Health Facilities requires that a target funding budget (budget) be prepared and approved for each allocation and program negotiated with the BHHF. The budget is the responsibility of the Grantee and shall be prepared in accordance with the procedures prescribed in these instructions as well as all applicable programmatic and Office of Management and Budget (OMB) Cost Principles.

This BHHF document was redesigned for the 2012 State Grant year to be a complement to the DHHR's standardized Detailed Line Item Budget. As such, all criteria for data entered into the Target Funding Budget should meet the requirements and guidelines included in the *"Instructions for Preparing the WVDHHR Detailed Line Item Budget"*. Resultantly, all line item and category amounts should transfer to the same categories provided in the comprehensive Detailed Line Item Budget and total the amounts provided for in the grant agreement.

General Instructions

The Grantee must provide the relevant information for each line item for the corresponding row onto the form. The Total column should represent both the BHHF grant funded portion and any other funds utilized to pay for the applicable line item. All amounts should be rounded to the nearest dollar. The form will automatically calculate the sub-totals for each cost category and the line item totals, which should be verified by the Grantee.

If the Grantee needs more space or rows than are provided on the form, they should attach an addendum (prepared in the same format) and simply enter the total cost from the attachment into the applicable line on the form, with a reference to the attachment. [I.e. "Other (see attachment A)"]

I. **Grantee Identifying information**

The grantee must complete each section in the heading of the budget to include:

A. Grantee's official business name as to be contained in the grant agreement.
B. Budget period ending as to be contained in the grant agreement.
C. Check (X) original for all initial submissions and revision with an accompanying number for all subsequent submissions.
D. Assigned Program Name as contained within the statement of work within the grant agreement.
E. State assigned account number as contained on the allocation sheet provided by BHHF.
F. Current year allocation amount as contained on the allocation sheet provided by BHHF.

II. **Direct Cost Categories**

Federal cost principles define direct costs as those that can be identified specifically with a particular final cost objective, i.e., a particular award, project, service, or other direct activity of the organization. When preparing the target funding budget, the Grantee should allocate all direct costs into one of the following seven (7) direct cost categories.

A. **Personnel**

For each employee's salary that is fully or partially charged to the grant, list the employee's name and/or job title. On the corresponding line, enter the amount of BHHF funds budgeted to that person/position and also the amount of Other Funds budgeted for that person as related to the program.

B. Fringe Benefits

List each component of fringe benefits budgeted to the grant award. Allowable fringe benefits include contributions to pension plans, health insurance, FICA, unemployment insurance, and worker's compensation.

For each fringe benefit that is fully or partially charged to the grant, list the fringe benefit. Many of the most common fringe benefits are already listed. On the corresponding line, enter the amount of BHHF funds budgeted to that benefit and also the amount of Other Funds budgeted for that benefit as related to the program.

C. Equipment

List each item of equipment to be purchased with grant funds. For each item that is fully or partially charged to the grant, list the item. On the corresponding line, enter the amount of BHHF funds budgeted to that item and also the amount of Other Funds budgeted for that item as related to the program.

D. Supplies

List each general classification of material and supplies (e.g., office supplies, program supplies, housekeeping supplies, etc.) to be purchased with grant funds. Many of the most common supply items are already listed.

For each supply item that is fully or partially charged to the grant, list the item. On the corresponding line, enter the amount of BHHF funds budgeted to that supply item and also the amount of Other Funds budgeted for that supply item as related to the program.

E. Contractual Costs

Contractual costs include expenditures incurred for obtaining the services of contractors, subgrantees and/or consultants. (Grantees must contact the BHHF for prior approval and specific instructions regarding the subgranting of BHHF awards.)

For each contracted line item that is fully or partially charged to the grant, list the item. On the corresponding line, enter the amount of BHHF funds budgeted to that line item and also the amount of Other Funds budgeted for that line item as related to the program.

F. Construction

Construction consists of costs to support the initial building, large scale modernization or permanent improvement of a facility. No construction costs should be budgeted without prior authorization from the BHHF. **(**Specific guidance and instructions will be provided to the Grantee when necessary.)

G. Other

The "other" category includes items that are directly charged, yet not included in one of the above cost categories. Many of the most common "other" items are already listed.

For each "other" line item that is fully or partially charged to the grant, list the item. On the corresponding line, enter the amount of BHHF funds budgeted to that line item and also the amount of Other Funds budgeted for that line item as related to the program.

III. Summary Page (Page 2 of the TFB Form)

1. The Total Direct Costs will auto populate with the amount from the first page.

2. The BHHF Indirect Cost Base Amount will auto populate from data entered on the first page. Please note that BHHF will not reimburse indirect costs on equipment or construction projects so the Indirect Costs Base Amount may be less than Total Direct Costs.

3. The grantee should insert their approved Indirect Cost Rate amount into this line. For payment of indirect costs by the DHHR, the Grantee must comply with one of the following three criteria:

   - If the Grantee is a direct recipient of Federal Grants, they may have an "Indirect Cost Negotiation Agreement" from their cognizant Federal agency;

   - The Grantee may have an approved "Indirect Cost Negotiation Agreement" from another state or local government agency that has agreed to review and approve the Grantee's indirect cost proposal; or

   - The Grantee may have a written statement from an independent certified public accounting firm attesting that the indirect cost proposal complies with applicable Federal OMB Cost Principles and provides the basis of the calculated rate.

   For grantees without an approved indirect cost rate, there is a BHHF exemption so that those grantees may charge an indirect cost amount of up to 15% on STATE funds only, if those costs are not recouped elsewhere.

   Additionally, please note that some funding (either Federal or State) may contain caps on indirect costs. Indirect costs that can not be recouped by a grantee due to a cap may not be charged to other BHHF or Federal Grants.

4. The BHHF Funds Indirect Cost Amount will auto populate with the amount generated by multiplying the keyed rate by the base amount.

   The Other Funds Indirect Cost Amount should be hard keyed and represent the amount of Indirect Costs budgeted to Other Funds. Due to the BHHF prohibition on certain indirect costs as previously discussed, this cell may also need to include those amounts not reimbursed by BHHF. This amount should equal (Total Budgeted Indirect Costs - BHHF Funds Indirect Costs)

5. The Total BHHF Costs amount will auto populate with the amount of BHHF Direct plus BHHF indirect Costs.

6. The Total Other Costs amount will auto populate with the amount generated by adding OTHER Funds Total Direct Costs plus Other Funds Indirect Cost Amount.

7. The Anticipated Program Income Earned amount should be hard keyed into the OTHER Funds column. Please note that this amount should represent only the projected amount of program income to be earned and expended during the grant period.

   Federal administrative requirements define program income as gross income earned by the recipient that is directly generated by a supported activity or earned as a result of the grant award. Program income includes, but is not limited to, income from fees for services performed, the use or rental of real or personal property acquired under federally-funded projects, the sale of commodities or items fabricated under an award, license fees and royalties on patents and copyrights, and interest on loans made with award funds. (Program income does not include the interest that is earned on grant funds prior to their disbursement by the Grantee. Those funds should be administered in accordance with applicable cash management requirements)

8. The Grantee / Other Source Supplied Portion will auto populate with the total of OTHER Funds column minus Anticipated Program Income.

9. The Total Budget amount should auto populate with the amounts generated from Total BHHF Funds plus Total Other Funds

IV. Brief Project Description

The preparer should enter a brief project description.

V. Funding/Source

If the program is supported by "Other" funds, the preparer should provide a projected source and amount of those funds. Other funds are considered supplemental (not required by authorizing grant legislation) funds provided by the Grantee to operate the program.

VI. Budget Review and Submission

Once the Target Funding budget has been completed:

1) Verify that the sub-totals for each category (A-G) concur with the grantees budgeted amounts.

2) Verify both the **Total Direct Costs** and **Total Indirect Cost** for both BHHF Funds and Other Funds

3) Verify the **Total Budget Amount**.

4) If applicable, verify the projected program income amount.

5) If applicable, verify both the amounts entered for other funding source section.

6) Enter the Preparer's Name, contact number and date the Budget Summary form.

7) Attach all addendums, required justifications and narratives for submission to the BHHF.

8) Please insert the name of the grantee organization into the file name when saving and submitting.

9) Submit all budget documents, addendums and supporting information to DHHR.BHHF.Grants@wv.gov .